

The Concept of Business Ethics in Islamic Perspective: An Introductory Study of Small and Medium Enterprises (SMEs)

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Abstract

Islam places the highest emphasis on ethical values in all aspects of human life. In Islam, ethics governs all aspects of life. Ethical norms and moral codes discernible from the verses of the Qur'an and the Hadith are numerous, far reaching and comprehensive. Islamic business ethics is essential for SME industry. The challenge of Islamic business ethics is to make that inevitable ethical decision making explicit to make it better. Far from being anti-business, ethics actually provides essential support for maximizing long-term business value. In an Islamic system, ethics and business are not only compatible but also they are inseparable. Islam stresses the link between business and religion. It projects a perfect way of life. A human manner and behavior in small and medium enterprises cannot be effectively clarified without references to the Islamic ethics which can manage it. Thus, this paper will discuss the issues pertaining to the concept of business ethics in Islamic perspective toward Small and Medium Enterprises (SMEs). This is because of their significant contribution in the Malaysian economics at large. Furthermore, this study also explains how SME could adapt the Islamic business ethics system in their day-to-day business activities.

Key words: concept of Islamic business ethics, Small and Medium Enterprises (SMEs).

Introduction

Today, we have been continually shown by the media about the current emerging economies and the global economic players. The focus is on showing how effective their governments develop and implement their policies to promote economic output and growth. Notably, all of them agreed that

SMEs played a significant role to achieve the stated objective (Abor & Quartey, 2010). However, despite the good reports made by the media about a certain economy or a country, there are always the same issues being questioned about why the global economy appears so unjust, with huge income and wealth disparities and exploitation all too apparent. Rewards in business are too often unrelated to the effort but rather the result of sharp practices (Hasanuzzaman, 2003). The question of ethics has always attracted the interest of scholars and others throughout the history of mankind. In modern times, this question has occupied the attention of many countries, their governments, societies and corporate communities. Business ethics has thus become a major issue of debate for academicians, professional associations, civil authorities and other related organizations (Hanafi & Sallam, 1997).

This is particularly important as the controversy in the Malaysian context today as there were also reported cases of unethical practices in religiously affiliated institutions like the National Pilgrimage Board (LTH) and others. In the year 2003, top managers in the National Pilgrimage Board were not spared with breach of trust in investment decisions. Meanwhile, in 2012, two LTH staff have been charged with altering its database and receiving a bribe. These issues have demonstrated the extent and prevalence of unethical business practices in Malaysia and elsewhere worldwide.

Thus, the purpose of this article is to discuss the concept of business ethics in the Islamic perspective in order to develop the ground ethical theories in business which will be focused on small and medium sized enterprise (SME). A specific consideration is given to SME issues because of its significant role in influencing the business environment and the Malaysian economy at large.

The first part of this article discusses on the concept of Islamic business ethics. The second part will look at the specific issues on how SME should act ethically in the Islamic business ethics framework.

Literature Review

Based on the investigations made by the researchers, there are several studies relevant to discuss in this section. The followings are the said studies:

Beekun and Badawi (2005) examined Islamic business ethics from a normative perspective. The important finding claimed that business ethics cannot be separated from ethics in the other aspects of a Muslim's daily life. The Islamic ethical system is balanced, fair, just and benevolent, and seeks to respect the rights of both primary and derivative stakeholders without allowing for exploitation, nepotism and other human ills. Beekun and Badawi (2005) also claimed that mankind must not forget his/her role as God's steward or vicegerent on earth (Supriyatna, 2012). For Muslims that understand and practice this ethical system, it is also contains its own enforcement. Not to mention, this study has looked at the balancing ethical responsibility from the Islamic viewpoint. The issue of SMEs from Islamic business ethics is scarce to be found in the study, only the above mentioned extracted discussions are relevant to the current study. It is argued here, Islam and business relate to each others.

A study conducted by Rice (1999) revealed that knowledge of ethics in practice is vital to the international manager. Rice (1999) also discussed the business ethics among the Egyptian people. In more detail, the illustration of Egypt shows considerable diversities between philosophy and

practice; diversities which if understood, can provide a foreign executive with ideas on how to negotiate with Egyptians and even what kinds of products or services might be appreciated. Rice (1999) also mentioned about the importance of unity (*tawhid*), justice (*adalah*), trusteeship (*khilafah*) in dealing with businesses.

According to a study reported by Abeng (1997), all business practices involve explicit or implicit harm and injustice to the contracting parties or to the public at large are disapproved by Islam. Further, in order to build a good business, any businesses must have a good Muslim business leader that will drive the business into a lawful business as intended by Shariah. Abeng (1997) also noted that there are six components needed to be understood by Muslim business leaders. Among others, are fulfilled of promises, exactness in weights and measures, truthfulness, efficiency, selection of merit and investigation and verification. By incorporating these components, all business practices will be treated as permissible as required by Shariah Islamiyyah. This study, indeed, provides general guidelines for the current study in identifying measures that better reflect SMEs (Wan Hamat et al, 2013).

In this section, the researchers also discuss a number of survey based studies that produced mixed results and research implications. The followings are some of many other studies exist in business ethics:

A study conducted by Fulop et al. (2000) discovered there was no significant relationship between the companies' output and social responsibility. The comparison with industry indicated that efficient resource management is important for the energy and processing industries, while innovation is important for chemical and engineering companies and fair salaries and wages is important for the energy and construction companies. Fulop et al (2000) and Abor & Quartey (2010) also indicated that there were favourable reaction regarding ethical codes, the ethical managers and committees, and the ethical audit. In the implementation of ethical practices, communication problems within the company, expected law changes, complaints of customers and changes in management and ownership played an important role. While implementation of ethical practices had positive results for most of the companies, a few companies had a negative experience (Klapper et al, 2010).

A study conducted by Lee (1981) on ethical beliefs of the British and Chinese managers, and between the top management and middle management in the marketing management. In more detail, found that there were no differences in the ethical standards in marketing between the British and Chinese managers in Hong Kong. Lee (1981) also believed that this was due to acculturation of the managers to local business practices.

Among other purposes, Zabid (1989) study of business ethics among Malays, Chinese and Indian managers in the banking sector in Malaysia. Zabid (1989) indicated there were differences found in business practices relating to "malpractices in sales" and "gaining of competitor information". The Indian managers perceived these two business situations as more unethical than the Malays or Chinese. The Chinese managers perceived "malpractice in sales" as more unethical than the Malays. The Chinese managers, however, perceived that "gaining of competitor information" as less unethical than the Malays or Indian managers.

Discussion on the Concepts of Business Ethics in the Islamic Perspective

Ethics in general can be defined as the system of rules governing the ordering of values (Bateman & Snell, 2002). Ethics also refers to the rightness or wrongness of the decisions and

behaviours of individuals and the organizations of which they are a part (Hellriegel et al, 2001). Business ethics sometimes referred to the moral principles and standards that guide behaviour in the world of business.

The aim of ethics is to identify both the rules that should govern people's behaviour and the "goods" that are worth seeking. In fact, ethical issues influence the decision that employees make daily. Some ethical issues involve factors that blur the distinction between "right" and "wrong". As a result, employees may experience ethical dilemmas. According to Ferrell & Fraedrich (as cited in Bateman & Snell, 2002), an ethical issue is a situation, problem or opportunity in which an individual must choose among several actions that must be evaluated as right or wrong.

From the Islamic context, the dimensions of ethics are numerous, far-reaching and comprehensive. Ethical system in Islam derived from the teachings of the Quran and from the Sunnah (i.e. recorded saying and behaviour of Prophet Muhammad, peace be upon him). Islamic ethics deals with all aspects of human life. It deals with relationships between man and Allah, man and his fellowmen man and other elements and creatures of the universe, and man his innermost self (Hanafi & Sallam, 1997; Supriyatna, 2012). Furthermore, the goals of Islam itself are not primarily materialistic. They are based on Islamic concepts of human well-being and good life that emphasize brotherhood and socioeconomic justice and require a balanced satisfaction of both material and spiritual needs of all humans.

Furthermore, Islam considers ethics as an offshoot of Iman (a Muslim belief system), and it emerges from the Islamic worldview of human life. Ethics also is known as *akhlak*. *Akhlak* is a set of Islamic moral values which have been prescribed fundamentally in the Quran and implemented by Prophet Muhammad (p.b.u.h) during his life (Wan Hamat et al, 2013).

Principally, there are two (2) types of *akhlak*, good or *mahmudah* and bad or *mazmumah*. Islam emphasizes the importance of practicing good *akhlak* (*mahmudah*) in all aspects of human life and recognizes it as one of the purpose of sending His messengers (Shaharuddin, 2005). Prophet Muhammad (p.b.u.h) said: "*I have been sent only for the purpose of perfecting the qualities of good akhlak*" (Imam Malik). Beekun (1997) mentioned that the term most closely related to ethics in the Quran is *khuluq*. Allah says in the Quran:

"And thou (standest) on an exalted standard of character." (68:4).

The Quran also uses a whole array of terms to describe the concept of goodness such as *khayr* (goodness), *birr* (righteousness), *qist* (equity), *'adl* (equilibrium and justice), *haqq* (truth and right), *ma'ruf* (known and approved) and *taqwa* (piety). Pious actions are described as *salihat* and impious actions are described as *sayyiat*.

Overview of Malaysian Small and Medium Enterprises (SMEs)

According to Small and Medium Enterprise Corporation Malaysia (SME Corp. Malaysia), an enterprise is considered an SME in each of the representative sectors based on the Annual Sales Turnover or Number of Full Time Employees. SMEs are divided into two sectors; manufacturing, manufacturing related services and agro-based industries; and services (including ICT) and primary agriculture. An enterprise can be considered as SME in each of respective sector as shown in the Table 1 below.

Table 1: Establishments and growth of Small and Medium Enterprises (SMEs)

	Micro enterprise	Small enterprise	Medium enterprise
Manufacturing, Manufacturing-Related Services and Agro-based industries	Sales turnover of less than RM250,000 OR full time employees less than 5	Sales turnover between RM250,000 and less than RM10 million OR full time employees between 5 and 50	Sales turnover between RM10 million and RM25 million OR full time employees between 51 and 150
Services, Primary Agriculture and Information & Communication Technology (ICT)	Sales turnover of less than RM200,000 OR full time employees less than 5	Sales turnover between RM200,000 and less than RM1 million OR full time employees between 5 and 19	Sales turnover between RM1 million and RM5 million OR full time employees between 20 and 50

Based on the reports released by the Department of Statistics, there is 645,136 number of SME operates in Malaysia for the year 2010 while for 2003 is 520,998. The data in Table 2 showed the increase of SME establishments from 2003 to 2010 but those figures might give misleading interpretations as the data in two sectors (construction and mining & quarrying) are missing. Additionally, there is a slightly decrease of SME establishments for manufacturing and agriculture sector. On the other hand, the services sector recorded a significant increase from 474,706 to 580,985 establishments for the year of 2003 and 2010, respectively.

Table 2: Distribution of SMEs establishments by sectors in 2010 (figures in parentheses are the 2003 data)

Sector	No. of establishments	Percentage
Manufacturing	37,861 (39,373)	5.9% (7.6%)
Services	580,985 (474,706)	90% (91.1%)
Agriculture	6,708 (6,919)	1.0% (1.3%)
Construction	19,283 (NA)	3.0% (NA)
Mining and quarrying	299 (NA)	0.1% (NA)
TOTAL	645,136 (520,998)	100% (100%)

Small and Medium Enterprise (SMEs) and Business Ethics

This paper attempts to explore the concept and the approach of business ethics in Islamic perspective focusing especially in Small and Medium Enterprises (SMEs). It is important to qualitatively analyse the importance of business ethics for Small and Medium Enterprises (SMEs). According to United Nations Economics Commission for Europe (2004), the advantages of business ethics in Small and Medium Enterprises (SMEs) activities is business leaders increasingly recognize the direct relationship between fulfilling a company's responsibilities and corporate survival. When a business is clear of its core purpose and values and aligns its brand, it is more likely to attract and

keeps talented people, reduce inefficiency and stress caused by conflicting messages and also attract more clients, customers and also supplier who deliver goods to the same high standards. Perhaps, the clearer importance of business ethics will assist the business leaders to implement and practice ethical business and management.

Generally, Islamic business ethics have general guidelines for the applications of SMEs. Indeed, the study by Rice (1999) provided examples that support the Islamic business ethics' application in the context of SMEs. These examples, indeed, distinguish between conventional and Islamic business ethics. The followings are the details:

Table 3: Examples of Islamic business ethics in Small and Medium Enterprises (SMEs)

Ethical Activities	Islamic Business	Conventional Business
Casino and extreme entertainment business	X	√
Bikini clothes and alcohol drinks	X	√
Selling pigs and other unlawful meat products	X	√
Shariah compliant clothes, drinks and lawful foods according to Islam	√	X

Indeed, the business of opening casino, prostitution and night club seem to be permitted in conventional business ethics, as long as the businesses are done in line with the local acts. Contrary to this, In Islamic business, the above examples strictly considered to be unlawful, and they are not considered halal at all. There are several reasons for not allowing the above activities (i.e. casino, prostitution and night club). First, they lead into the social problems. Second, it is stated clearly that gambling and adultery are obviously prohibited in Islam. Therefore, although some businesses are ethical in other organizations (i.e. alcohol shops), but from Islamic point of view it is not ethical, or haram.

The Principles Of Islamic Ethics In Small And Medium Enterprises (SMEs)

The idea of ethics in SME is generally discussed within a framework of customer rights and good management of SME. Theoretically, there are many principles of ethics in Islam that derived from the Quran and Hadith of The Prophet Muhammad (p.b.u.h). However, for the purpose of this article, the Islamic business ethics that only correlate with small and medium industry are discussed.

Trust (Amanah/T'timan)

Scholars and practitioners widely acknowledge the importance of trust. Trust makes cooperative endeavours happen. Trust is a key to positive interpersonal relationships in various settings because it is central to how we interact with others (McKnight & Chervany, 1996). Trust is another fundamental ethical principle of Islam. The essence of the trust is the sense of accountability which implies the sense of having to appear before Allah and to account for one's actions (Manan, 2012). Indeed, trust is greatly emphasized in the Qur'an and Hadith. Some examples are as follows:

Allah says: *"If ye are on a journey, and cannot find a scribe, a pledge with possession (may serve the purpose). And if one of you deposits a thing on trust with*

another, let the trustee (faithfully) discharge his trust, and let him fear his Lord. Conceal not evidence; for whoever conceals it, his heart is tainted with sin. And Allah knoweth all that ye do.” (2: 283).

“O ye that believe! betray not the trust of Allah and the Messenger, nor misappropriate knowingly things entrusted to you.” (8: 27).

“Allah doth command you to render back your Trusts to those to whom they are due; and when ye judge between man and man, that ye judge with justice: verily how excellent is the teaching which He giveth you! for Allah is He Who heareth and seeth all things.” (4: 58).

The Prophet (p.b.u.h) mentioned the importance of trust in this public administration as follows:

“Any ruler who has been entrusted with the affairs of a group of Muslims and who dies as a dishonest ruler, to him paradise is forbidden by Allah.”

“God will bless the transaction in which the buyer and the seller are unambiguous and frank and have goodwill for each other.”

“Whoever appoints a person over a group of people, while among that group there is another person who’s more acceptable to Allah than the appointed one, indeed, he has not lived up to the trust of Allah, His messenger, and the believer.”

Islam considers human life and all its resources are a trust reposed by Allah. Thus, every SME manager is responsible for the workers and other resources with whom he is entrusted. Trust is especially important for Muslim business persons in the SME industry because of the need to make a profit and the temptations to enhance the attributes of their product or service during a sales pitch. All resources of SME business should be treated as a divine trust by the SME businessman. Therefore, the SME businessman or manager should make the most efficient and socially desirable use of the business resources. The SME activities should in no case of destruction or damage the society or the natural environment. Indeed, Islam emphasizes man’s role towards the natural environment by making him responsible of his surroundings as Allah’s vicegerent.

Justice (‘Adl)

Justice or ‘Adl means to treat people equally is a pre-requisite of fairness and justice. Justice is the sum-total, in a sense, of all recognized rights and duties, as it often consists of nothing more than a balanced implementation of rights and duties. The Qur’an is emphatic on the objectivity of justice, so much so that it defies any level of relativity and compromise in its basic conception. Allah says:

“Allah commands justice, the doing of good and liberality to kith and kin. He forbids all shameful deeds and injustice and rebellion; he instructs you, that ye may receive administration.” (16:90).

The following is a selection of verses in the Qur’an as regards to justice:

“Lo! We have created everything by measure.” (18:46).

“Thus when they fulfil their term appointed, either take them back on equitable terms or part with them on equitable terms; and take for witness two persons from among you, endued with justice, and established the evidence for the sake of Allah. Such is the

admonition given to him who believes in Allah and the Last Day. And for those who fear Allah, He (ever) prepares a way out.” (65:2).

“To those who believe and to deeds of righteousness hath Allah promised forgiveness and a great reward.” (5:9).

In these āyāt, Allah explicitly mentioned the importance of justice in all aspects of Muslim activity include in business and commercial activity. The property of justice is more than a characteristic of nature but it is a dynamic characteristic, which each Muslim must strive for, in their entire life. Allah stresses the need for justice when He labels the Muslim as *ummatun wasatun*.

In the context of its application in SME activity, the principle of justice applies both literally and figuratively. In terms of the relationship between SME manager and its subordinates, the principles of justice implies that managers should exercise fair and equal treatment to all workers regardless of genders, races, physical differences, religion and political beliefs. Indeed, skills, experience and attitude will determine the potential qualities of the workers. Additionally, Islam is totally rejected the practice of favouritism and cronyism that lead to the injustice in hiring and promoting employees. In fact, employees should be chosen or promoted based on their academic qualification, level of experience, moral qualities as well as their technical competency (Shaharuddin, 2005). It is interesting that another meaning of ‘*adl* is equilibrium and equity. As can be seen from the ayat in the above citation of the Qur’an, a balanced transaction between SME companies and customers is also equitable and just. In general, Islam does not aim to create a society of martyr-like entrepreneur, doing business for a purely benevolent reason. Instead, Islam wants to control man’s propensity for covetousness and his love for possessions (Beekun, 1997).

Sincerity (Ikhlas)

Sincerity is generally understood to be truth in word and act. Sincerity also can be defined as the quality or state of being sincere; honesty of mind or intention; freedom from simulation, hypocrisy, disguise, or false pretence; sincereness. Islam has emphasized this code of ethics as we see in the Quran and Hadith. Allah says:

“So woe to the worshippers, Who are neglectful of their Prayers, Those who (want but) to be seen (of men), But refuse (to supply) (even) neighbourly needs.” (107: 4- 7).

“And they have been commanded no more than this: to worship Allah, offering Him sincere devotion, being True (in faith); to establish regular Prayer; and to practice regular Charity; and that is the Religion right and Straight.” (98: 5).

The following is a selection of Hadith as regards to sincerity:

“The Prophet (p.b.u.h) said in relation to sincerity: “Allah does not look to your bodies, to your faces, but He looks to your hearts and your deeds.”

The Prophet (p.b.u.h) said: “Actions are but intention and every man shall have but which he intended. Thus he whose migration was for Allah and His messenger, and he whose migration was to achieve some worldly benefit or take some woman in marriage, his migration was for that for which he migrated.”

The Prophet (p.b.u.h) also mentioned that religion is sincerity! We said: To whom? He said: To Allah, and his Book and His messenger and to the leaders of the Muslims and common folk.”

Therefore, Islam attaches great importance to the sincerity of intentions and actions in every walk of life. The performance of duties requires that all individuals in SME companies work with sincerity and fidelity. Two benefits can be produced by instilling the sincerity in the business deals. First, it helps to improve the workers' efficiency of job implementation. Second, since the workers are able to contribute to the high rate of productivity by speeding up the productions. In addition, such ethical code also discourages manipulation or exploitation of others for personal reasons (Ahmad, 1991, McClaren, 2012). For that reason, a sincere SME businessman is not expected to deceive, harm and take advantage of others intentionally.

Truthfulness (Sidqun)

Truthfulness is a basic ethical value of Islam. Islam is, in a way, the other name of truth. Allah speaks truth, and commands all Muslims to be straight forward and truthful in their dealings and utterances. Allah says:

“Oh believers! Fear Allah, and say the right thing.” (33:70).

Islam strongly condemns falsehood and deceit in any form (Ahmad, 1991). Truthfulness is repeatedly mentioned in both the Qur'an and Hadith which the following examples illustrate:

Allah say: “Say: Allah speaketh the truth. So follow the religion on Ibrahim, the upright. He was not the idolators.” (3:95).

“That Allah may reward the true men for their truth, and punish the hypocrites if He will, or relent towards them (if He will). Lo! Allah is forgiving, merciful.” (33:73).

“O ye who believe! Fear Allah, and be with those who are truthful.” (9:19) .

The following is a selection of Hadith as regards to truthfulness:

The Prophet (p.b.u.h) was asked: “Can the believer be frugal in his Spending?” He said yes. “Can he be coward?” He said yes, “Can he be a liar?” He said, no.

The Prophet (p.b.u.h) said: “He who has reinforced the truth with his tongue, his reward will continue growing until the day of Resurrection where Allah will pay him his full reward.”

This value has philosophical implications for the conduct of business. SME managers have to be honest, truthful and clear-cut in all of his conducting a business. There is no scope for cheating, swearing too much, speaking lies and false advertising in an Islamic framework of business. Once he chooses to become a Muslim, he must submit his will to Allah's. He joins to the collective of the Ummah, and assumes his rightful position as Allah's trustee on earth. Nevertheless, it is pertinent to note that in Islam the principles of truthfulness and honesty are not to be followed as matters of SMEs' policy or business strategy, which is the Western approach. To a certain extent, truthfulness is the obligations of a true Muslims' faith in Allah or what we call as Iman (Ahmad, 1991).

Benevolence (Ihsan)

As far as kindness is concerned, benevolence to others is defined as an act which benefits persons other than those from whom the act proceeds without any obligation. It also means fineness, proficiency or magnanimity in dealing with others. Along with the concept of justice, the concept of benevolence is also frequently repeated in the Qur'an and the Hadith. Allah says:

“Spend your wealth for the cause of God, and be not cast by your own hands to ruin; and do good. Lo! God loves those who behave with ihsan.” (2:195).

“Those who spend in ease and adversity, those who control their wrath and are forgiving toward mankind; God loves such doers of ihsan.” (3:134).

The Prophet (p.b.u.h) is reported to have said:

“The inmates of Paradise are three types: one who wields authority and is just and fair; one who is truthful and has been endowed with power to do good deeds; and the person who is merciful and kind-hearted towards his relatives and to every pious Muslim, and who does not stretch out his hand in spite of having a large family to support.” (Sahih Muslim)

The absence of justice in all of the business dealings with SME's companies inflicts harm and disturbs peace and harmony, but the absence of benevolence does not harm anybody. It implies a more liberal treatment than what justice requires (Hasanuzzaman, 2003). Besides justice, the relationship between SMEs' managers and workers should be on the basis of benevolence. Allah says in the Quran:

“Lo! God enjoins 'adl and ihsan, and giving to kinsfolk, and forbids lewdness and abomination...” (16:90).

SMEs' managers are encouraged to offer fringe benefit packages, although certain employee paybacks are not stipulated in the contract. The practices of offering child education sponsorship, family assistance programs, human development courses and paid holidays or vacations by some companies today provides good examples. It appears that, benevolence is the essential elements to establish a corporate culture that emphasize on achieving physical and spiritual need for employees (Shaharuddin, 2005).

Conclusion, Future Studies and Research Implications

The Islamic perspective concerning SME business code of ethics has been presented in view of a sample from the Quran and Hadith that are related to the 5 axioms, namely, trust, justice, sincerity, truthfulness, and benevolence. It is beyond the ability of the researchers to have comprehensive and all-inclusive coverage of the area of ethics. Thus, the objective of this study has been to present the Islamic business ethics from the perspective of Small and Medium Enterprise (SME).

Overall, the study aims at providing an explanation on how SME should perform ethically according to the framework of Islamic business ethics. Thus, Islamic business ethics are necessary for SME industry. It is essentially because of it is a valuable business tool, essential for identifying and resolving questions of business conduct.

In terms of research implications, the discussion of this study is able to provide an overview of the suitability of Islamic ethics in the practice of SME. Nevertheless, this study is an eye-opener for practitioners and academicians about the importance of Islamic business ethics in SME. It at least provides a guideline in promoting how does business should be looked like according to Shariah.

However, although this study has successfully achieved its objective, there is one issue remaining unanswered, which needs to investigate in the future study. This issue is about a limited evident of empirical results about the usability of Islamic ethics in SME practice. Therefore, this limitation can be overcome by pursuing a survey relevant to the topic of study. It is the target of the researchers to plan to survey the Islamic business ethics' practices of SMEs. At the preliminary stage, the study will be conducted in Kelantan, Terengganu and Pahang. Choosing these three cities are due to existences a number of SMEs and also run by bumiputras.

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